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**Milestone Led Consortium Awarded \$4.2 Million to Develop Stem Cell Medium and Instrument for Treatment of Diabetes**

**LIVINGSTON, NJ, July 2, 2015 – Milestone Scientific Inc. (NYSE MKT: MLSS)** today announced that a consortium led by Milestone Scientific Poland Sp. z.o.o, a subsidiary of Milestone Scientific Inc., had been awarded a \$4.2 Million grant by the National Centre for Research and Development in Poland under its STRATEGMED Program to develop and commercialize a novel injection instrument for delivering stem cells and other medications to treat diabetes (“StemInject Project”). The instrument will be based on Milestone Scientific’s painless, computer-controlled injection and drug delivery technology, which has commercial applications across a broad spectrum of medical and dental procedures. Milestone Scientific Poland will receive approximately \$1.5M of this grant.

Milestone’s patented technology regulates and controls the flow rate of fluid, minimizing tissue damage and allowing for painless injections. The Dynamic Pressure Sensing® (DPS) capability provides visual and audible in-tissue pressure feedback. DPS provides medical practitioners the ability to identify tissue types and inject drugs at precisely the right location, eliminating guesswork. Additionally, the disposable injection handpiece allows for precise tactile control during an injection.

The total StemInject Project budget is approximately \$5.2M, of which, the StemInject Project grant will cover approximately \$4.2M. Milestone Scientific Poland will receive \$1.5M of this grant and the remaining amount will be allocated to other members of the StemInject Project team to support research and development of the new drug vessel, animal testing and preparing prototypes for implementation. The approximately \$1.0M StemInject Project funding not covered by the grant is expected to be contributed by the StemInject Project team on a yet to be determined basis.

The StemInject Project consortium, under the leadership and supervision of Milestone Scientific Poland Sp. z o.o. consists of five additional entities from the fields of engineering and medicine in Poland: Biomed-Lublin S.A., Medical University of Lublin, Polpharma S.A., Warsaw University of Technology and University of Gdansk. The project involves the creation of four prototype injection instruments, each dedicated to a different type of stem cell medium produced by Biomed-Lublin S.A. and Medical University of Lublin, which will be compared against conventional antidiabetic drugs being manufactured by Polpharma S.A. The development of the novel injection prototypes will be done together with Warsaw University of Technology, while drug supply and analysis will be conducted by University of Gdansk.

Leonard Osser, CEO of Milestone Scientific Inc., commented, "This funding marks a significant achievement and validation of our technology. We believe this grant will accelerate the rollout of our technology for diabetic applications in European markets and worldwide. We see an enormous worldwide market potential for the StemInject Instrument, especially given the aging population and increased worldwide incidence of diabetes. Globally, every 5 seconds someone is diagnosed with diabetes and every 10 seconds someone dies from diabetes complications. The International Diabetes Federation (IDF) estimates that 285 million people worldwide have diabetes, representing 6.6% of the population aged 20-79. This number is expected to reach 438 million by 2030, or 7.3% of the world’s adult population. In Poland about 3 million people have diabetes, and over 30% of them are unaware of their illness and do not receive treatment for this reason."

Mr. Osser added, “The use of stem cells for diabetes is a novel approach, and combining it with a more precise method of dosing has the potential to help improve the treatment of diabetes and the process of cellular regeneration, while increasing the safety of the injection for the patient and reducing malpractice risk for the medical practitioner. We are gratified by this award and look forward to supporting the European Union’s priorities in combating such diseases. We would like to thank WDM Capital for their continued support in helping us secure this grant funding and the recent equity funding for our Epidural and Intra-Articular Subsidiary.”

**About Milestone Scientific Inc.**

Milestone Scientific Inc. (MLSS) is a leading medical research and development company that designs and patents innovative injection technology. Milestone's computer-controlled systems make injections precise, efficient, and virtually painless. For more information please visit our website: [www.milestonescientific.com](http://www.milestonescientific.com).

**Safe Harbor Statement**

*This press release contains forward-looking statements regarding the timing and financial impact of Milestone's ability to implement its business plan, expected revenues and future success. These statements involve a number of risks and uncertainties and are based on assumptions involving judgments with respect to future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond Milestone's control. Some of the important factors that could cause actual results to differ materially from those indicated by the forward-looking statements are general economic conditions, failure to achieve expected revenue growth, changes in our operating expenses, adverse patent rulings, FDA or legal developments, competitive pressures, changes in customer and market requirements and standards, and the risk factors detailed from time to time in Milestone's periodic filings with the Securities and Exchange Commission. The forward looking-statements in this press release are based upon management's reasonable belief as of the date hereof. Milestone undertakes no obligation to revise or update publicly any forward-looking statements for any reason.*